

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Lexington Precision Corporation and Lexington Rubber Group, Inc
Debtor

Case No. 08-11153 & 08-11156

Reporting Period: April 2008

Federal Tax I.D. # 22-1830121 & 13-3525759

CORPORATE MONTHLY OPERATING REPORT – APRIL 2008

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	Waived**
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	No	Waived**
Copies of bank statements		No	Waived**
Cash disbursements journals		No	Waived**
Statement of Operations	MOR 2	Yes	Consolidated Statement of Operations
Reorganization items paid	MOR-2 (Cont.)	Yes	No explanation necessary.
Balance Sheet	MOR-3	Yes	Consolidated Statement of Operations
Status of Post-petition Taxes	MOR-4	Yes	No explanation necessary.
Copies of IRS Form 6123 or payment receipt		No	Waived**
Copies of tax returns filed during reporting period		No	Waived**
Summary of Unpaid Post-petition Debts	MOR-4	Yes	No explanation necessary.
Listing of Aged Accounts Payable		No	All post-petition accounts payable are current.
Accounts Receivable Reconciliation and Aging	MOR-5	Yes	No explanation necessary.
Taxes Reconciliation and Aging	MOR-5	Yes	No explanation necessary.
Payments to Insiders and Professional	MOR-6	Yes	No explanation necessary.
Post Petition Status of Secured Notes	MOR-6	Yes	No explanation necessary.
Debtor Questionnaire	MOR-7	Yes	See Questionnaire.

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Authorized Individual*

Date June 6, 2008

Printed Name of Authorized Individual Dennis J. Welhouse

Date June 6, 2008

Senior vice President and CFO

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

** Inclusion of this and certain other information has been waived per discussions with Official Creditors' Committee and the Office of the United States Trustee.

In re Lexington Precision Corporation

Debtor

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS			
ACCOUNT NUMBER (LAST 4)	OPER	PAYROLL	TAX	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
CASH BEGINNING OF MONTH				
RECEIPTS				
ACCOUNTS RECEIVABLE				1,012,059.84
DIP LOANS				4,000,000.00
OTHER: Premier Tool and Die				229,978.89
OTHER: Miscellaneous Receipts				11,236.05
TOTAL RECEIPTS				5,253,274.78
DISBURSEMENTS				
NET PAYROLL				
PAYROLL TAXES				
SALES, USE, & OTHER TAXES				
INVENTORY PURCHASES				
SECURED/ RENTAL/ LEASES				
INSURANCE				
ADMINISTRATIVE				
SELLING				
OTHER (ATTACH LIST)				
OWNER DRAW *				
TRANSFERS (TO DIP ACCTS)				
PROFESSIONAL FEES				
U.S. TRUSTEE QUARTERLY FEES				
COURT COSTS				
TOTAL DISBURSEMENTS				1,810,343.05
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)				
CASH – END OF MONTH				

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

TOTAL DISBURSEMENTS	\$1,810,343.05
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	\$0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$1,810,343.05

In re Lexington Rubber Group, Inc.

Debtor

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
	OPER	PAYROLL	TAX	OTHER	
ACCOUNT NUMBER (LAST 4)					
CASH BEGINNING OF MONTH					
RECEIPTS					
ACCOUNTS RECEIVABLE					8,073,395.86
DIP LOANS					-
OTHER: Premier Tool and Die					-
OTHER: Miscellaneous Receipts					32,653.87
TOTAL RECEIPTS					8,106,049.73
DISBURSEMENTS					
NET PAYROLL					
PAYROLL TAXES					
SALES, USE, & OTHER TAXES					
INVENTORY PURCHASES					
SECURED/ RENTAL/ LEASES					
INSURANCE					
ADMINISTRATIVE					
SELLING					
OTHER (ATTACH LIST)					
OWNER DRAW *					
TRANSFERS (TO DIP ACCTS)					
PROFESSIONAL FEES					
U.S. TRUSTEE QUARTERLY FEES					
COURT COSTS					
TOTAL DISBURSEMENTS					4,470,584.71
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)					
CASH – END OF MONTH					

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

TOTAL DISBURSEMENTS	\$4,470,584.71
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	\$0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$4,470,584.71

LEXINGTON PRECISION CORPORATION – CONSOLIDATED April 2008

CONSOLIDATED STATEMENTS OF EARNINGS

MONTH

in thousands of dollars

Case no's. 08-11153 & 08-11156

	MONTH	
	Actual	
Gross sales	7,080	103.0 %
Returns	190	2.8
Discounts & allowances	14	0.2
Net sales	<u>6,876</u>	<u>100.0</u>
Cost of sales:		
Material cost	2,332	33.9
Direct labor	730	10.6
Factory overhead	<u>2,637</u>	<u>38.4</u>
Total	<u>5,699</u>	<u>82.9</u>
Gross profit	<u>1,177</u>	<u>17.1</u>
Selling, general & admin. expense:		
Marketing & sales	77	1.1
General & administrative	<u>589</u>	<u>8.6</u>
Total	<u>666</u>	<u>9.7</u>
Operating profit	<u>511</u>	<u>7.4</u>
Nonoperating expense (income):		
Interest expense (1)	654 (2)	9.5
Unrealized loss (gain) on trading securities	–	–
Total	<u>654</u>	<u>9.5</u>
Earnings (loss) before taxes	(143)	(2.1)
Income taxes	–	–
Earnings (loss) from continuing operations	(143)	(2.1)
Income (loss) from discontinued operations	<u>(14)</u>	<u>(0.2)</u>
Net income (loss)	<u>(157)</u>	<u>(2.3) %</u>
EBITDA:		
Operating Profit	511	7.4 %
Depreciation	442	6.4
Amortization (operating only)	26	0.4
EBITDA	<u>979</u>	<u>14.2 %</u>

Other Data & Statistics:

Average number of employees (#)	652	NA
Sales per employee (\$)	127	NA

(1) Excludes interest expense of \$14,000 allocated to discontinued operations for the month of April 2008.

(2) Includes \$73,000 of accrued, unpaid, and disputed default interest for the holders of the Company's unsecured debt, \$21,000 of interest for the holders of the Company's DIP loan, and amortization of charges relating to the DIP fee from the holders of the Company's DIP loan in the amount of \$14,000 during April 2008.

In re Lexington Precision Corporation - Consolidated
Debtor

Case No. 08-11153 & 08-11156

Reporting Period: April 2008

REORGANIZATION ITEMS		
Professional Fees		
CapitalSource Legal Charges	80,000.00	
CapitalSource Consulting Charges	48,000.00	
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11 (<i>see continuation sheet</i>)	*	
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (<i>attach schedule</i>)		
DIP Interest	9,444.45	
DIP Fees	80,000.00	
Miller Advertising Agency - Wall Street Journal Commencement Notice	12,741.57	
Total Reorganization Expenses	217,444.45	
Income Taxes		
Net Profit (Loss)		

*"Insider" is defined in 11 U.S.C. Section 101(31).

BREAKDOWN OF "OTHER" CATEGORY

OTHER COSTS

OTHER OPERATIONAL EXPENSES

OTHER INCOME

OTHER EXPENSES

OTHER REORGANIZATION EXPENSES

* Interest earned during April 2008 not paid until May 2008.

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

Lexington Precision Corporation - Consolidated
Case No. 08-11153 & 08-11156
Status of Post-Petition Taxes

April 2008

	4/2	4/3	4/9	4/10	4/14	4/16	4/17	4/23	4/24	4/29	4/30	Totals
Federal												
FICA - Employee	6,633,188	19,033,19	5,708,85	18,446,29	23,345,72	5,881,25	18,176,79	5,956,94	18,768,64	22,829,56	5,990,44	150,749,55
FICA - Employer	6,633,85	19,033,22	5,708,80	18,446,20	23,345,70	5,881,28	18,176,87	5,956,98	18,768,50	22,829,65	5,990,41	150,749,46
Unemployment	154,02	610,11	81,09	387,26	7,41	67,77	259,41	50,36	205,94	12,41	42,83	1,878,61
Income	8,258,40	21,480,74	6,475,91	19,892,64	36,002,53	6,847,66	19,473,56	6,814,43	19,870,94	34,790,74	6,886,72	186,774,27
Other:												
Total Federal Taxes	21,676,15	60,157,26	17,974,65	57,172,39	82,701,36	18,637,96	56,086,63	18,776,71	57,614,02	80,462,36	18,890,40	490,151,89
State and Local												
GA - Georgia												
Withholding												
Unemployment												
Real Property												
Other:												
NY - New York												
Withholding												
Unemployment												
Real Property												
Other: DI												
OH - Ohio												
Withholding												
Unemployment												
Real Property												
Other:												
PA - Pennsylvania												
Withholding												
Unemployment												
Real Property												
Other:												
SC - South Carolina												
Withholding												
Unemployment												
Real Property												
Other: Michigan Franchise 1st QTR 2008 est.												
AK - Akron City, OH												
BR - Brewster ULG, OH												
CA - Canton City, OH												
CO - Columbiania, OH												
CS - Col SD, OH												
GI - Girard City, OH												
GR - Green City, OH												
HU - Hubbard City, OH												
MD - McDonald VII, OH												
NC - No-Canton CI, OH												
NF - New Franklin, OH												
NI - Niles City, OH												
NP - New Philadel, OH												
PP - Pepper Pike												
PY - Pyramatuning T, PA												
SH - Sharon City, PA												
SL - Springfield L.S., OH												
SP - Sharpsville, PA												
ST - Struthers CI, OH												
SW - Stow City, OH												
WA - Warren City, OH												
YT - Youngstown C, OH												
Total State and Local												
Total Taxes	28,516,39	76,482,59	22,963,96	71,341,15	96,184,66	23,155,78	69,564,98	22,782,21	70,641,22	104,508,19	22,542,05	608,683,18

SUMMARY OF UNPAID POST-PETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due				
	Current	0-30	31-60	61-90	Over 91
Accounts Payable					
Wages Payable					
Taxes Payable					
Rent/Leases-Building					
Rent/Leases-Equipment					
Secured Debt/Adequate					
Professional Fees					
Amounts Due to Insiders					
Other:					
Other:					
Total Post-petition Debts					

There are no unpaid post petition debts. All debts are either paid or within credit terms.

LEXINGTON PRECISION CORPORATION – CONSOLIDATED April 2008

CONSOLIDATED BALANCE SHEETS

in thousands of dollars

Case no's 08-11153 & 08-11156

ASSETS Actual

Current assets:

Cash	8,108
Marketable securities	177
Accounts receivable	10,581
Inventories	9,587
Prepaid expenses and other current assets	1,644
Deferred income taxes	98
Current assets of discontinued operations	4
Total current assets	<u>30,199</u>

Plant & equipment

Land	1,904
Buildings	13,374
Machinery & equipment	<u>111,122</u>
	126,400
Accumulated depreciation	<u>106,432</u>
Plant & equipment, net	<u>19,968</u>

Plant & equipment of discontinued operations, net	1,302
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Goodwill	7,623
Deferred financing expenses	66
Other assets	<u>621</u>
	<u>59,779</u>

LIABILITIES & SHAREHOLDERS' DEFICIT

Current liabilities:

Accounts payable	6,833
Accrued income taxes	(33)
Accrued interest expense	9,915
Accrued operating expenses	4,336
Short-term debt	14,219
Current portion of LTD	61,342
Current portion of discontinued operations	<u>236</u>
Total current liabilities	<u>96,848</u>

Long-term debt, net of current portion	--
Long-term portion of post-retirement obligation	269
Other long term liabilities	156
Deferred income taxes	98

Shareholders' deficit:

Common stock	1,240
Add'l paid-in-capital	13,190
Accumulated deficit	(51,985)
Accumulated other comprehensive loss	(37)
Total shareholders' deficit	<u>(37,592)</u>

59,779

In re Lexington Precision Corporation - Consolidated
DebtorCase No. 08-11153 & 08-11156
Reporting Period: April 2008

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	13,269,638.22
Plus: Amounts billed during the period	6,975,312.88
Less: Amounts collected during the period	9,085,455.70
Less: Miscellaneous adjustments	22,013.00
Total Accounts Receivable at the end of the reporting period	11,137,482.40

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old	8,137,956.69	-	-	-	8,137,956.69
31 - 60 days old	-	1,906,143.01	-	-	1,906,143.01
61 - 90 days old	-	-	516,477.53	-	516,477.53
91+ days old	-	-	-	576,905.17	576,905.17
Total Accounts Receivable	8,137,956.69	1,906,143.01	516,477.53	576,905.17	11,137,482.40
Less: Bad Debts (Amount considered uncollectible)	-	-	-	-	513,000.00
Less: Accrual adjustment	-	-	-	-	43,000.00
Net Accounts Receivable	-	-	-	-	10,581,482.40

TAXES RECONCILIATION AND AGING

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old					
31 - 60 days old					
61 - 90 days old					
91+ days old					
Total Taxes Payable					
Total Accounts Payable					

All taxes are current.

In re LEXINGTON PRECISION CORPORATION

Case No. 08-11153 & 08-11156
Reporting Period: April 2008

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(c)(1)(A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

(1) Paid inadvertently in error by debtor prior to creditor filing affidavit and questionnaire pursuant to Ordinary Course Professional Retention Order.

(1)

**POST-PETITION STATUS OF SECURED NOTES
AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST PETITION
CapitalSource finance LLC (as agent) 4445 Willard Avenue 12th Floor Chevy Chase, MD 20815 and Webster Business Credit Corporation 3600 Lexington Avenue, 5th Floor New York, NY 10017	208,333.33	208,333.33	8,333,333.40
CSE Mortgage LLC and DMD Special Situations units of CapitalSource finance LLC (as agent) 4445 Willard Avenue 12th Floor Chevy Chase, MD 20815	61,111.11	61,111.11	13,777,777.80
Commercial Alloys 1831 Highland Road Twinsburg, OH 44087	7,736.00	7,736.00*	28,915.40
Great American Leasing Corporation PO Box 609 Cedar Rapids, Iowa 52406-0609	1,149.45	1,149.45*	15,883.58
	TOTAL PAYMENTS	269,444.44	22,155,910.18

* Amounts inadvertently paid by Debtors.

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In re Lexington Precision Corporation - Consolidated
Debtor

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Reporting Period: April 2008

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		
	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?	X (To date, standard end of term (June 30, 2008) non-renewal notices.)	
5 Is the Debtor delinquent in paying any insurance premium payment?	X	
6 Have any payments been made on pre-petition liabilities this reporting period?	X (See (1) and (2) below)	
7 Are any post petition receivables (accounts, notes or loans) due from related parties?	X	
8 Are any post petition payroll taxes past due?	X	
9 Are any post petition State or Federal income taxes past due?	X	
10 Are any post petition real estate taxes past due?	X	
11 Are any other post petition taxes past due?	X	
12 Have any pre-petition taxes been paid during this reporting period?	X (2)	
13 Are any amounts owed to post petition creditors delinquent?	X	
14 Are any wage payments past due?	X	
15 Have any post petition loans been received by the Debtor from any party?	X (\$4,000,000 DIP Loan)	
16 Is the Debtor delinquent in paying any U.S. Trustee fees?	X	
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?	X	
18 Have the owners or shareholders received any compensation outside of the normal course of business?	X	

- (1) Includes payments described on page 10.
 (2) Franchise tax inadvertently paid by Debtors on 4/15/08 to Tennessee in connection with application for extension of time of time to file return
 Franchise tax inadvertently paid by Debtors on 4/15/08 with regard to Lexington Rubber Group, Inc.'s application for extension of time to file Michigan franchise tax return
 Franchise tax inadvertently paid by Debtors on 4/15/08 with regard to Lexington Precision Corporation's application for extension of time to file Michigan franchise tax return
- | | |
|------------------|-------------------------|
| Total taxes paid | <u>8885.45</u> |
| | <u>100.00</u> |
| | <u>16,327.00</u> |
| | <u>2,250.00</u> |
| | <u><u>27,562.45</u></u> |